

VIII. Non-Laboratory Property

Non-Laboratory Property

Definition

"Non-Laboratory" property is any other than that supplied to or bought by the University of California under its contract with DOE. This includes property borrowed from other governmental agencies or institutions, or private sources, and property of LANL workers. Ownership is not transferred with the property to the DOE or University.

Borrowed Property

Policies

Borrowed property is property loaned to LANL for use by Laboratory personnel. Laboratory organizations may borrow equipment from other government agencies, educational institutions, foreign countries, and vendors, for official use only.

Laboratory organizations are encouraged to borrow DOE property to satisfy short-term needs. The decision of whether it is practical and economical to borrow property will be based on:

- the suitability of the item for the job
- its condition and value
- the extent and nature of its proposed use
- its availability
- its portability
- the cost of transportation
- other similar factors

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The borrowing organization assumes full responsibility for liability and indemnity for losses of the borrowed property, except as outlined in the Prime Contract.

The borrowing of items with a total acquisition value of more than \$50,000 requires the approval of the borrowing line manager. Borrowing of Automated Data Processing Equipment with total worth of more than \$100,000 requires the approval of the borrowing division director.

The Property Management (PM) Loan Office approves and administers all borrow agreements for the Laboratory and tracks borrowed property in its borrowed property database. An agreement must be in place before the item is shipped. All capital, attractive, or controlled property not clearly marked as belonging to the lender will be labeled by the Lab borrower as borrowed property.

Cross-references:
41 CFR 109-1.5105 & 1.5108
Joints VIII

Procedure

The requester contacts the property administrator (PA), and the requester or PA notifies the Loan Office of the requester's desire to borrow an item via memorandum. The memo should specify:

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- the item, by make, model, and if known, serial number
- the borrower's name and organization
- a property management contact in the lending organization

The Loan Office arranges for the lender's loan agreement to be signed by the requester and the LANL approvers required according to the value of the loan (see "Policies" above).

All borrowed property must be sent through the LANL Receiving organization. The PA sends a copy of the Receiving Report (RR; see Appendix), marked "Loan to LANL," to the Loan Office. The Loan Office enters that information in the borrowed property database and documents any subsequent loan extensions.

If the borrowing organization erroneously receives borrowed property directly, it must notify Receiving through a Confirmation of Receipt (COR; refer to "Receiving Documentation" in Chapter II, "Acquisition") marked "Loan to LANL." Receiving sends a copy to PM.

If the ownership of borrowed capital, attractive, or controlled property is not readily identifiable, the PA labels the item(s) with a tag reading "(Borrowing

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organization's name) Borrowed Property" to prevent confusion during LANL inventories and ensure the item's return.

When lending agencies inventory their property, PM and the PAs cooperate by :

- guiding lender representatives if they visit
- physically verifying any requested information, if not
- completing and returning all paperwork within the lenders' deadlines

Thirty days prior to the expiration of a loan agreement, the Loan Office sends a Borrowed Property Expiration Notice (see Appendix) to the Laboratory borrower. If the item is or has been returned, the borrower notes the number of the Shipping Manifest (SM; see Appendix) by which the item was returned. If not, the borrower indicates how long the loan is to be extended, the project for which the item is being used, and the project's expected completion date, and obtains lender's signature. In either case, the borrower must return the notice to PM prior to the expiration date.

An SM showing the loan agreement and RR numbers is used to document return of an item to the lender. A copy is sent to the Loan Office, which closes the loan in PAIRS.

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Reimbursables

Policy

Property funded by organizations outside of LANL for Laboratory use but not specified as a donation is acquired, tagged, and tracked in PAIRS and inventoried as if it were Laboratory property. PAIRS records will indicate that the property is a reimbursable — that the funding agency eventually will regain possession of the property unless it does not want it. They also will name the funding agency.

Excessing, transfer, destruction, or disposal of reimbursable items must be approved in writing by the funding agency before those actions can be taken.

Procedure

When a PA or PM worker verifies PAIRS information for a property item to be excessed, transferred, destroyed, or disposed of, he or she checks to see if it is coded as a reimbursable. If so, he or she first checks the contract or agreement under which the property was provided to see if the action is allowed. If not, and the custodian still wishes to pursue the action, the PA or PM member works with the custodian to write a memorandum to the funding agency. The memo should provide a full description of the item and ask for written permission to take the action requested. The PA must follow whatever

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instructions the organization returns, filing the original(s) and attaching copies to any documents used in those actions.

Nuclear Waste Fund Property

Items acquired through the Nuclear Waste Fund (NWF) cannot be transferred, excessed, destroyed or disposed of without permission from the Yucca Mountain Project. The procedure for doing so is similar to that for reimbursables, with the following exceptions regarding excess items. In all cases, the memo requesting instructions is sent to the LANL NWF Project Coordinator.

When the using organization declares the item excess (see Chapter XIV, "Excess Property"), the PA also prepares a separate Equipment/Material Pick-up/Transfer form (EMPT; see Appendix) for each item and sends the form(s) with the memo to the coordinator. In addition to the normal information, the PA will include on the EMPT that the item is NWF property. If the item is a computer, a completed Certification of System Sanitization (see Appendix) must be attached.

The coordinator passes the EMPT to JCI Redistribution & Marketing (R&M). R&M picks up the item(s) and stores them in a segregated area of its warehouse.

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The PA also contacts the coordinator to obtain his or her Z number and transfers the item(s) to the coordinator's accountability in PAIRS. The memo should state that this was done.

The coordinator sends a memo to the Property Management Specialist at the Yucca Mountain Project Office. The memo:

- identifies all items for which instructions have been requested
- includes for each item the EMPT information and, if available, the estimated cost of any special packaging or transportation required
- asks what should be done with each item

Upon receipt of instructions from Yucca Mountain, the coordinator instructs R&M in writing on disposition of the items. Yucca Mountain must authorize in writing any special packaging or transportation costs and provide billing instructions. For each item that is to be excessed, it must provide an SF-122, Transfer of Excess Personal Property (see Appendix), naming LANL as the recipient.

R&M then ships those items that are to be returned to Yucca Mountain. It sends items to be excessed into

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the normal excess process (see Chapter XIV, "Excess Property").

Temporary Use

Policy

Property may be obtained for temporary use to:

- evaluate or test it before purchase
- replace a necessary item that is under repair

Temporary-use property must be protected from theft or damage and may not be used where there is a risk of contamination.

Procedure

The requester completes a Purchase Request with a unit price, extension price, and total amount of zero. Accompanying it must be a memorandum containing:

- a complete description of the item
- the term of the period of use
- the value of the item
- the justification for the transaction
- a statement that the equipment/supplies will be safeguarded from contamination

The request is processed in the normal manner.

If the ownership of borrowed capital, attractive, or controlled property is not readily identifiable, upon

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receipt the PA labels the item(s) with a tag reading "(Borrowing organization's name) Temporary Use" to prevent confusion during LANL inventories and ensure the item's return if not purchased.

The requester must either notify Procurement that he or she wishes to purchase the item or return the item using an SM by the end of the period of use.

Employees' and Affiliates' Property

Property owned by employees or affiliates and used at the Laboratory is considered neither borrowed nor Laboratory property. Affiliates include:

- official visitors
- contractors
- consultants
- DOE representatives
- employees of other government agencies

LANL generally assumes no responsibility for this property, so employees and affiliates bring personal possessions to the Laboratory at their own risks. Exceptions to this policy may be granted by the Business Operations Division Director in cases where property was damaged or contaminated through no fault of the owner (see Administrative Manual 715).

The ownership of all capital, attractive, and controlled items stored overnight on Laboratory premises must

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be clearly identified, to avoid confusion during LANL inventories.

Non-government-owned personal property shall not be installed in, affixed to, or otherwise made a part of any government-owned personal or real property.

Note: This does not apply to the use and installation of privately owned decorative items or memorabilia in the work place, provided that the structure or safety of the facility is not thereby degraded or compromised.

41 CFR 109-1.5110
Joints I.8